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COMMONWEALTH OF MASSACHUSETTS BOARD OF EDUCATION

REPORT OF THE COMMITTEE ON DISTRESSED SCHOOL SYSTEMS AND SCHOOL REFORM

November 26, 1991

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COMMONWEALTH OF MASSACHUSETTS BOARD OF EDUCATION

**Report of the Committee on
Distressed School Systems and School Reform**

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TABLE OF CONTENTS

| | <u>Page</u> |
|---|-------------|
| Introduction | 1 |
| I. Analysis of Distressed School Systems: Public Education Is In Danger | 2 |
| II. The Educational Financing System Isn't Working: The Social Contract Has Broken Down | 8 |
| III. Conclusions And Recommendations | 12 |
| Appendix: Lawrence And Holyoke: Analysis And Implications | A-1 |

COMMONWEALTH OF MASSACHUSETTS BOARD OF EDUCATION

Report of the Committee on Distressed School Systems and School Reform

November 26, 1991

INTRODUCTION

The Committee on Distressed School Systems and School Reform was appointed by the Chairman of the Board of Education at the regular meeting held on October 29, 1991, and is comprised of Martin S. Kaplan, Chair, S. Paul Réville, and Richard R. Rowe.

The Committee is charged with the responsibility to review the "Report on the Condition of the Public Schools in Holyoke, Lawrence, Brockton and Chelsea" dated October 15, 1991 (the "October 15, 1991 Report on Distressed School Systems," Exhibit A hereto), which is based on the presentation to the Board of Education on September 26, 1991.

The Chairman of the Board also assigned initial responsibility to this Committee to review the issue of systemic reform of the Massachusetts public education system, including responsibility to review: "Every Child A Winner", a proposal for legislative action of the Massachusetts Business Alliance for Education dated July, 1991; Governor Weld's education reform proposals; and reform proposals of the four Educational Reform Working Groups appointed by the Massachusetts Legislature.

The Committee has met four times, and has analyzed extensive information developed under its direction by the Department of Education and the Office of the Secretary of Education.



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As a result, while the Commonwealth has provided well over 50% of the funding available to certain cities and towns with a low property tax base, it has provided far less than 50% to certain other low property tax base towns which also have significant needs. In spite of the Commonwealth's efforts to direct aid toward poor communities, and in spite of the inconsistencies, the entire system of financing public education through a combination of the local property tax and state aid simply has not provided sufficient funding for education.

Under the laws of the Commonwealth, the responsibility to provide education, and the power to control and manage the school system, rests with local government to a degree unknown in any other major state in this country. It is a system of shared responsibility, whereby the Commonwealth mandates certain standards and programs (though many fewer than other major states), and provides funds in the form of local aid to cities and towns.

An analysis of the situation in Lawrence leads us to conclude that the City of Lawrence is not providing an acceptable level of education to the children in its public school system. While other cities and towns throughout the Commonwealth have found it necessary to reduce expenditures across the board, or to increase taxes in order to fulfill their responsibility to their school children, as well as for other municipal purposes, the municipal budget that has been proposed in Lawrence for fiscal year 1991-92 shows a decline in the school budget of \$3.8 million (15.5%), while the municipal budget for non-school services is actually increasing by over \$150,000.

In addition to this reduction in the Lawrence School Committee's appropriation, the City of Lawrence has considered transferring or eliminating \$2.6 million of indirect costs previously funded through non-school accounts in the City budget. These services, formerly provided by the City, such as police protection, snow removal, or building maintenance, must be funded by the School Committee out of its already diminished budget, or simply done without.

We believe Holyoke presents a similar picture of community neglect of education as a responsibility of local government. In August of this year, the voters of Holyoke rejected an override that would have provided additional funding for the public schools. Thereafter, the School Committee of Holyoke petitioned the Board of Education for approval to shorten the school year because of the budget crisis, and that request for waiver was rejected.

The voters of Holyoke then faced several Proposition 2½ overrides on November 5, 1991. The voters defeated two overrides which would have supplemented the school's fiscal 1991 and 1992 budgets by \$1.75 million and \$1.25 million respectively. However, the voters of Holyoke approved an override to fund an

I. **ANALYSIS OF DISTRESSED SCHOOL SYSTEMS:
PUBLIC EDUCATION IS IN DANGER**

The Committee concentrated on analyzing the situation in Brockton, Chelsea, Holyoke and Lawrence, since the superintendents of those four school systems approached the Attorney General of the Commonwealth and the Department of Education in August of this year to notify them of the problems being created by significant budget reductions in their districts.

Information available to the Committee makes clear, however, that there are other school systems within the Commonwealth, primarily those in poor rural areas and poor urban centers, that are similarly distressed. Any solution that is to be achieved must take into account the problems and needs of those other school systems, as well as the four which have clearly identified their own problems and are the subject of this report.

Today's public school system in America had its origin in the establishment of the first state Board of Education in Massachusetts, and the Board's subsequent appointment of Horace Mann as its first Secretary in 1837. Our Report raises the question as to whether, in certain cities and towns and in the Commonwealth generally, there is still a public commitment to provide education to our children.

We conclude that some cities, towns and rural districts simply do not have sufficient funds, generated either locally or from the Commonwealth, to provide an acceptable public education for the children who reside there. In other cities and towns, it is clear that there is also a lack of will to provide such education. We also conclude that some cities and towns have disregarded their commitment to their children, and that the basic financing system for education in the Commonwealth simply is not working to provide the education needed for our children.

Massachusetts has long utilized its property tax as the basic funding mechanism for public education, and the Commonwealth relies more extensively on that tax than do any other major states in the support of public education. Over the years, the Commonwealth has several times revised its formulas for the delivery of local aid in order to redress the imbalance in funding between more affluent and poor communities, but these reforms have produced a local aid system of obvious inconsistency. The design of Chapter 70 contemplated a calculation of "Cherry Sheet" aid on the basis of education needs, taking into account the number of and types of students, financial resources otherwise available on a local basis, and the number of students living below the poverty line in the city or town.

additional \$1.4 million for trash collection and disposal, and approved \$154,000 for the Council on Aging and the War Memorial. The Boston Globe quoted one city official of Holyoke as stating "I guess this says we care more about our trash than our children."

This Committee has also received a written report from the Tantasqua and Union 61 School Districts relating to the Elementary School in the Town of Wales, a community with a population of approximately 1,500 people located between Worcester and Springfield. (The Report and related material are attached hereto as Exhibit B.) Wales has relatively low property value, and over 80% of its budget is allocated to its own Elementary School and its assessment to the Tantasqua Regional School District. On November 12, 1991, an override which would have provided an additional \$160,000 to operate the Elementary School was defeated, and the budget for the School District has, therefore, been reduced from \$783,000 in fiscal year 1991 to \$531,000 in fiscal year 1992.

In Wales, all art and music has been eliminated, as has the part-time custodian. All textbooks, supplies, and building accounts have been frozen, and all but three regular education teachers will be laid off. Therefore, 199 children in the Wales Elementary School will share three teachers for the balance of the school year. We believe there are other small rural districts with similar problems to Wales.

In Chelsea, prior to its recent receivership, the school budget was reduced by the Board of Aldermen by 15%, resulting in the layoffs of 58 teachers, although there were few layoffs from other city departments. Twenty-five percent of teaching positions were eliminated and 24% of the remaining teachers have been assigned to positions for which they have little or no experience. Chelsea has not built a new public school facility since 1909, and a recent effort to obtain state funds for capital construction failed because the Board of Aldermen refused to allocate \$71,000 for planning.

In the case of Brockton, after two years of relatively modest reductions from the fiscal year 1989 budget of \$49.5 million, the City appropriated only \$42.9 million for the schools in the current fiscal year. A proposed \$3.5 million override was defeated on September 17, 1991, although tax bills are currently at or below their 1980 levels. Over the past year, Brockton has reduced its professional staff from 767 to 573, a 25% reduction. A critical needs list of capital improvements of \$3.4 million remains unfunded.

Given the relatively low property tax values in Brockton, and the fact that the Brockton tax rate is \$11.37 per thousand (compared to \$8.34 in Holyoke and \$9.55 in Lawrence), we are not in a position to conclude whether Brockton is contributing its full and fair share toward public education from its own resources, in comparison to

the contribution of the Commonwealth. The Commonwealth has never adopted standards of expectation from the cities and towns as to either their expected financial contributions to public education or the specific nature of the services to be provided.

We conclude that certain cities and towns are not doing their share based on their tax rate, extremely high percentage of state funding for public education, and comparative expenditure by the city or town on other services. Brockton, however, seems to be an example where the Commonwealth has not provided funding sufficient to satisfy its obligations vis a vis the shared responsibility for public education.

In order to determine what commitments must be made by the Commonwealth and the local communities to public education, we must determine the basic and minimum needs that all of us would agree are necessary for a public school system to be effective. The following examples from the October 15, 1991 Report on Distressed School Systems are helpful in determining the acceptable standards.

- Last year in Holyoke no classes exceeded 25 students per teacher. This year all classes in Grades K to 8 will average 30 or more students, and class sizes of 36 to 42 are common. At the high school level, classes of 35 students are normal. While Holyoke's school enrollment has grown by approximately 1,000 students in the past seven years, the number of teachers, counsellors and specialists has been reduced in the past year from 557 to 354, a 36% reduction in teaching staff. This reduction is a virtual abandonment of public education, and we find it totally unacceptable.

- In Lawrence, some elementary classes have numbers of students in the high 30's, and one Grade 8 class has 43 students. One anatomy and physiology class in Lawrence High School has 48 students and, because of the numbers, no lab experimentation is available, only demonstration. None of these conditions are acceptable to this Committee.

- Nor is it acceptable that in Brockton 79% of all elementary regular education classes have more than 30 students, one-third of these have over 35 students, and 4 have over 40; that the average class size in elementary regular class is 35; and that 40% of the major class subjects in Brockton High School and Junior High Schools enroll more than 30 students, and one swim class has 60 students.

- It is not acceptable that in Holyoke 20% of the classes in the Donohue Elementary School are empty because there are insufficient teachers, while many classes exceed 37 students. Nor is it acceptable that in Brockton there

are classes with insufficient desks and chairs for the students assigned to the classes; or that there are so few textbooks in certain subjects that the students are not allowed to remove them from the classroom, so that they cannot use the textbooks for homework either in study hall or at home.

- And without question, three teachers for 199 children in grades K-6 in the Wales Elementary School is simply and totally unacceptable.

Unfortunately, the above examples are not unique, and the October 15 Report on Distressed School Systems abounds with further examples. Frankly, these examples demonstrate the urgency of our problem. It is a public policy scandal.

In spite of the committed efforts of many teachers, administrators, parents and students, there is the real threat that a continuation of the course set in each of the communities under study will lead to a virtual collapse of its public school system. Certain classrooms simply warehouse children at this time, with no effective education being provided.

Massachusetts, the first state in the country to provide public education, cannot allow it to be abandoned in certain cities and towns. However, if the situations in these communities are allowed to continue to deteriorate, we question whether public education will continue to exist.

We cannot conclude that the failure to support education is universal to all communities in Massachusetts. There are examples of less affluent communities that have passed overrides for educational purposes such as Worcester, Springfield and Leicester. In addition, some communities that voted against overrides already have relatively low tax bases and relatively high tax rates. But even such major efforts, that have resulted in overrides for purposes of education, still result in school systems that are inadequately funded in comparison to their needs. Many cities and towns have entered the cycle where the unthinkable budget of one year becomes the norm for the next.

The picture as a whole for the cities and towns of the Commonwealth is one of increasing budget pressures as the cumulative effect of Proposition 2½ will increasingly make it impossible to adequately fund schools in almost all communities of the Commonwealth by continued reliance on property taxes. Proposition 2½ has also created a vicious competition among those desperately in need of community services, from fire and police protection to public education to trash collection, that is setting neighbor against neighbor in the competition for funds that is destroying the sense of community in our cities and towns.

The destructive impact of Proposition 2½ on the funding of education at the local level has been muted over the prosperous 1980's through increased local aid from the Commonwealth. With fiscal constraints at the statewide level, continued reliance on property taxes for the funding of education will eventually lead to the under-funding of all public education throughout the Commonwealth.

Local aid cuts by the Commonwealth have been just as destructive to public education as choices and cuts made by cities and towns. Requiring both maintenance of effort by the Commonwealth, and maintenance of effort by each city and town, are essential components of any systemic reform. If funding public education in Massachusetts is a shared system, then we ~~must~~ ~~also~~ conclude that the abandonment of the commitment is shared too.

II. THE EDUCATIONAL FINANCING SYSTEM ISN'T WORKING: THE SOCIAL CONTRACT HAS BROKEN DOWN

The municipal actions in Lawrence and voting patterns in Holyoke (see Appendix to this Report) simply clarify the very sad breakdown in the American social contract. In the past, most Americans believed that providing a decent public education was one of the critical functions of state and local government. Prior to the vast increase in mobility in American life, cities and towns were multi-generational, in the sense that people who grew up in a particular city or town stayed there and raised families there.

It was easy for the elderly to support public education because their grandchildren were often in those schools. With the changes in American society, the community social contract has been torn apart, and people tend to look out for themselves and deny their community responsibility for the public education of other people's children.

Proposition 2½ has exacerbated this situation by encouraging voters to override the tax limitations in order to obtain those services they wished to "purchase" with community tax dollars, and the benefits of which are immediately available to them. Schools, on the other hand, immediately "benefit" only that minority of families with children in schools, but the long-range benefit of education is critical to our society. While Proposition 2½ encourages people to vote for the services they use, it's the children of the Commonwealth who use the public schools and they don't have voting rights and can't participate in overrides.

We are faced with the fact that the public school population in the Commonwealth is increasing, many cost components are rising at 5% a year, and property taxes cannot increase by more than 2½% annually by law. Thus, the cumulative effect of Proposition 2½ makes it impossible to adequately fund public education by way of property taxes, and by its terms forces a ratcheting down of all local services.

Proposition 2½ has succeeded in its goal of reducing property taxes (most homeowners pay about the same tax on the same home in 1991 as they did in 1981) to the point that funds are no longer available for desperately needed local services, and many of our communities are becoming dysfunctional. Eventually all cities and towns will be under-funding their schools.

The breakdown of the social contract at the community level requires us to seek to determine if a new social contract can be structured on a state-wide basis. The situation demands systemic reform realigning funding responsibilities for public

education between the Commonwealth and the cities and towns, and reforms in the organization and delivery of public education.

There is an increasing trend nationwide to transfer the responsibility for public education from the local community to the states, and there is extensive litigation, including the McDuffy case here in Massachusetts, seeking to force the states to assume responsibility for adequacy and equality in education among the cities and towns.

We believe this trend is due to the decline in the social contract at the local level, and the reduced community commitment to schools is evidenced in Massachusetts as schools do poorly in competition for funds with other municipal services.

When a city or town decides it is more important to collect rubbish than to educate its children, then the question arises as to whether those communities retain any sense of commitment to the concept of public education for the children who live in those communities. We believe that Lawrence and Holyoke represent examples of cities in which the local communities are not doing enough for public education.

However, that does not mean that the Commonwealth of Massachusetts has done its full and fair share toward the students of poor urban communities such as Lawrence and Holyoke either. The amount expected to be spent on each student in Lawrence (see Appendix) is so far below the State average that, even with appropriate increases from Lawrence municipal revenues, we must conclude that the Commonwealth must provide additional resources in order to provide an adequate education in Lawrence.

In addition, there are rural towns in Massachusetts, with very low property values per resident, which receive a very small percentage of their very low public education budgets from the Commonwealth. Examples are Rowley (20% of the school budget from state aid), Carver (25%), Salisbury (25%), Hanson (35%), and others. Clearly, the Commonwealth is not fulfilling its shared responsibility to those towns with low property values, and reductions in local aid have only exacerbated the situation for such towns, which are already under intense pressure from the property tax limitations.

As we examine the breakdown in the social contract, it becomes important to understand which services provided at which governmental level primarily benefit the municipality, and which primarily benefit the Commonwealth as a whole. We believe that fire and police protection, trash collection, enforcement of building code and zoning regulations, maintenance of public libraries, while certainly important services,

are uniquely municipal with primary benefit and relevance to the residents of that city or town and of little benefit and relevance to the citizens of the Commonwealth as a whole.

However, the quality of public education in any city or town has state-wide consequences because the economic and social health of the Commonwealth depends upon a well-educated citizenry. It is the most critical of our services in its impact on the future of our Commonwealth and our country. We demonstrate its importance by continually adding responsibilities to our schools.

The public education system is being whipsawed by reduction in commitment and funding at the same time that society adds responsibility for health and AIDS awareness education, food and medical programs, recreational and social activities, among others. In effect, as the social contract breaks down elsewhere, more and more responsibilities formerly allocated to families and communities in our post-industrial society are being added to a school system organized in the same manner as it was in the 19th century.

If our children are to receive the kind of education necessary for our State to compete economically within our country, and for the United States to compete effectively in the global economy, then we must provide a first-class education, the kind being provided in many of the nations (and increasingly, many of the states) with which we compete. We must recognize that the community which benefits from the education of our students is a much broader community than our city or town.

The student in Brockton may never take a job in that community, and may live and work elsewhere in the Commonwealth, or elsewhere in our country, but we have an obligation to that child and our society to prepare him or her adequately for life.

A strong public education system is also essential to the development in our children of an understanding of the importance of democracy in our republic, and an educated citizenry is essential to the maintenance of such democracy.

In the attempt to make public education more effective, to overcome the divisions in our society, and to rebuild the sense of community, we believe it would be of great benefit for both parents and the elderly to become increasingly involved in our educational system.

Both the citizens and public officials of Massachusetts have the opportunity to redefine the commitment that our society owes its children and to craft a new sense of community values and social contract by developing a more equitable and effective system of school financing.

The citizens of Massachusetts must consider whether they are willing to honor the commitment to provide a public education to children, or whether we will allow the quality of public education to continue to depreciate to the point where it is merely a hollow promise. Only the children are without blame for our current situation, and they deserve better. The social contract should require that every child who grows up in Massachusetts receives a decent public education.

III. CONCLUSIONS AND RECOMMENDATIONS

We conclude that the system of financing education on which we have been relying in Massachusetts has broken down, and simply isn't working. Regardless of where a child goes to public school, that child needs and deserves a level of educational services that is simply not being provided today by Massachusetts and many of its cities and towns.

The situation is urgent, and requires the immediate attention of those who have the authority and the responsibility at both the State and local level.

We conclude that the emergency situations facing Brockton, Chelsea, Holyoke, Lawrence, Wales and others is a result of the broken financing system. Proposition 2½ has made reliance on the property tax for education impossible. Cutbacks at the state level for aid to education have had a devastating impact on most cities and towns.

Unless major reform in both the delivery and funding of education is adopted, other cities and towns will be the subject of a report like this one next year. Therefore, we make the following recommendations:

1. We believe the Commonwealth of Massachusetts has an obligation to insure that every child in the Commonwealth is provided an adequate public education as a matter of right. We endorse the concept of a guaranteed minimum level of adequacy in terms of both a core package of educational services for each child and a ~~basic foundation budget~~ level for each school district. We recognize that adequate public education must take into account the greater needs of children living in poverty. We believe the commitment of the Commonwealth to public education should be explicitly articulated in the Constitution of the Commonwealth.

2. There must be major systemic reform in the funding, organization and delivery of public education in Massachusetts on the scale of the proposals of the Massachusetts Business Alliance for Education. We believe any long-range reform package of legislation relating to education must include such major systemic reform.

3. The Commonwealth must create a financing system for public education which provides the necessary funds to meet the adequacy standard throughout the Commonwealth, and such a system must provide State funding for education on a reliable, continuing and dedicated basis, and must require that a fair and equitable share be allocated to education by each city and town out of its own municipal revenues. The finance reform proposal put forth by the Massachusetts Business Alliance for Education represents one such constructive and acceptable system of

finance. Every city and town should continue to have the right to increase its educational spending above the level of adequacy determined in any reform legislation.

4. The school budget process must be made stable and predictable, and all decisions relating to State and local budgets in connection with public education must be finalized prior to the close of the previous school year.

5. The Board of Education should establish benchmark educational conditions of adequacy that must be maintained by all school districts. These benchmarks should include (a) improvements in educational performance, (b) minimum per pupil budget levels for instructional materials, support services, staff development, and adequate and properly maintained facilities, and (c) maximum class sizes for all programs. The Board of Education should have the authority to grant waivers as to any of such requirements in order to encourage innovative approaches toward the delivery of education, and to encourage inter-district collaboration.

6. The Board of Education should have the authority to declare a state of emergency in a school system and, upon such formal declaration by a vote of two-thirds of all of the members of the Board of Education, it should have the authority to take any and all action necessary to address the problems creating such emergency, including but not limited to the authority to change personnel, enter into contracts for the management of the school system, and to take such other action as it may deem appropriate to insure the delivery of an adequate education to the children who are the subject of the emergency.

7. If systemic reform is adopted as described above, then the Commonwealth should make emergency funds available to address the situations described in this report, in accordance with the following recommendations:

A. The Board of Education should request emergency State funding for financially distressed school districts be made available so long as systemic reform is adopted, and that such funds should be committed in time to be made available to have a positive effect upon the distressed school districts during the current school year.

B. Emergency funding should be made available by the Board of Education to any district that can demonstrate (a) current eligibility for Equal Educational Opportunity Grant funds and (b) one or more of the following conditions: (i) decline in per-pupil spending, (ii) regular education classrooms with 35 or more students, (iii) Special or Transitional Bilingual Education classrooms with enrollments in excess of maximum requirements of State

regulation, (iv) shortages of textbooks and other instructional materials and/or (v) decline in support services.

C. The Board of Education should have the discretion to provide funds to such school districts as may qualify above so long as the funds are committed (a) for the specific purpose of remediating conditions identified in paragraph B above, and (b) with the requirement that such funds will not supplant any portion of the current year's appropriated school budget. The Department of Education should be required to monitor the application of all such emergency grants.

D. Any school district receiving such emergency aid shall be required to repay 50% of such emergency aid over the following two fiscal years (25% in each year) by way of a direct deduction from non-educational local aid provided by the Commonwealth to such city or town.

APPENDIX:

**LAWRENCE AND HOLYOKE:
ANALYSIS AND IMPLICATIONS**

The chart on the following page sets forth certain comparative figures relating to public education in Lawrence and Holyoke in the years 1980, 1991 and 1992.

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Laurence

Holyoke

| | FY 1981 | FY 1991 | FY 1992 | FY 1981 | FY 1991 | FY 1992 |
|---|------------|------------|------------|------------|------------|------------|
| 1) School Enrollment | 8,058 | 10,725 | 11,121 | 7,648 | 7,654 | 7,971 |
| 2) Total Educational Revenues | 24,843,429 | 57,775,948 | 54,268,165 | 21,601,755 | 47,675,293 | 41,113,430 |
| 3) Local | 7,814,097 | 9,598,262 | 8,637,147 | 6,873,811 | 12,339,645 | 6,204,737 |
| 4) State | 13,943,114 | 40,060,814 | 37,169,540 | 11,523,641 | 28,769,065 | 28,634,112 |
| 5) Federal | 3,086,218 | 8,116,872 | 8,461,478 | 3,204,303 | 6,566,583 | 6,274,581 |
| 6) Cost Per Pupil | 2,145 | 3,724 | 2,986 | 1,959 | 4,540 | 3,572 |
| 7) State Average Cost Per Pupil | 2,383 | 4,705 | 4,735 | 2,383 | 4,705 | 4,735 |
| 8) Cost as % of State Average | 90% | 79% | 63% | 82% | 96% | 75% |
| ** 9) Total Municipal Revenues | 51,235,920 | 97,527,869 | 93,243,067 | 38,371,906 | 69,391,559 | 68,472,901 |
| 10) Local-Unrestricted | 33,138,064 | 37,612,230 | 39,033,520 | 23,378,893 | 26,102,903 | 28,397,549 |
| 11) Local-Restricted | 0 | 9,066,760 | 9,128,214 | 0 | 5,689,187 | 5,689,187 |
| 12) State | 18,097,856 | 50,848,879 | 45,081,333 | 14,993,013 | 37,599,469 | 34,386,165 |
| 13) Tax Rate | 42.33 | 9.55 | 9.99 | 41.34 | 8.34 | 9.52 |
| 14) Unrestricted Revenue per Capita | 507 | 536 | 556 | 515 | 597 | 650 |
| 15) % of Unrestricted Revenues for Schools (Line 3/Line 10) | 24% | 26% | 22% | 29% | 47% | 22% |

* Line 2 includes debt service; line 4 includes school building assistance.

** FY 92 municipal revenues and tax rates are estimates.

The foregoing chart shows that Lawrence spent 24% of its unrestricted municipal revenues on its school system in 1981, 26% in 1991, and 22% is budgeted for 1992. While the contribution of local revenues has gone from \$7,814,097 in 1981 to \$9,598,262 in 1991, it has been reduced to \$8,637,147 in 1992. Meanwhile, the state and federal share of the Lawrence school system budget increased from \$17,029,332 in 1981 to \$48,177,686 in 1991, and then fell to \$45,286,412 in 1992. The increase in state and federal funding reflects the inflation in costs and the inability of the City of Lawrence to do a great deal more than it has done.

While we believe that Lawrence could and should be providing further funding to its schools from local revenues, the immediate problem facing Lawrence is caused not only by the reduction of almost \$1,000,000 to the schools at the local level over the past year but by the reduction of almost \$3,000,000 in state funding over the same period of time. We do not believe that Lawrence is justified in reducing its contribution to the local school system, it is virtually impossible for Lawrence to maintain an effective school system when state reductions made over the past two years are coupled with such local cutbacks.

We believe the most critical information that is derived from the prior chart is the fact that the funds spent per pupil by Lawrence in 1981 was 90% of the state average cost per pupil and that the percentage was reduced to 79% in 1991 and is projected to fall to 63% in 1992. (We do not suggest that it was sufficient for Lawrence schools to be funded at that level in 1980 given the special needs of a poor urban school system.)

Similarly, Holyoke's spending per pupil in 1981 was 82% of the state average, which increased to 96% in 1991, but it is projected to be reduced to 75% in 1992. Given the special needs of many children in Lawrence and Holyoke living below the poverty level, public education funding should be no less than the State average per pupil.

The inconsistencies in fiscal policy relating to public education in Massachusetts is demonstrated by the following comparisons of Lawrence and Holyoke for 1991 and 1992. The reduced spending in Lawrence between last year and this year is caused by a \$961,115 reduction from municipal revenues and a \$2,891,274 reduction in state funding. In Holyoke, the comparable reductions have been \$6,134,908 from municipal revenues and only \$134,953 reduction in state funding. Lawrence has maintained approximately the same federal funding over the past two years while Holyoke has been reduced by \$2 million.

While the Commonwealth should allocate funds in a manner that attempts to equalize school funding per student in order that students in poor districts receive the same or similar opportunities for education as those in more affluent cities and towns,

the above chart projects that the Commonwealth will fund 69% of the cost of the Lawrence public schools and 70% of the cost of the Holyoke public schools. The shared financing system raises the issue of the appropriate degree of State involvement in education policies and delivery in order to encourage innovation and inter-district sharing within the Commonwealth.

It is too easy to suggest that the State should simply make up the difference between rich and poor towns by additional funding. If we are to have a shared educational system, which provides more local control than in most other states in the country, then the community that has control of the educational system must contribute some meaningful amount of its municipal revenues to that public education.

Both Lawrence and Holyoke depend heavily on state and federal funding for their educational systems, while retaining a relatively low property tax rate. It is not fair to those cities and towns of this Commonwealth that have demonstrated a greater commitment to public education, and contribute meaningful amounts of their own revenues to their school systems, for a town to argue that the State should do it all.

It should be noted that every city and town in the Commonwealth does not consider it a public priority to have trash collection and disposal funded by the municipality. At a time when the Commonwealth and other cities and towns are under financial pressure, it is not appropriate to ask the Commonwealth to take additional amounts from those cities and towns that do not have trash collection and allocate it for education to those towns that would prefer to spend their local revenue on trash collection than on schools.

An analysis of the recent Holyoke override referendum clearly articulates issues of social policy facing the citizens of the Commonwealth. Reviewing the precinct voting patterns of neighborhoods with few children in the schools shows a clear commitment to voting for funds for trash collection and the Council on Aging, and against additional funding for the public schools. On the other hand, an analysis of precincts with proportionately high public school enrollments shows a majority of the voters supporting the override for public education.

The voting patterns demonstrate that a majority of voters who do not have students in the school system vote against funding for public education, but vote in favor of those services from which they expect to benefit directly, such as trash collection or the Council on the Aging. The statistics also make clear that poor minority precincts voted in favor of public education, demonstrating the commitment of poor and minority parents to education for their children.

Thus, in Holyoke, the elderly voted for the Council on Aging; the elderly and those who are better-off voted for trash pick-up to be funded by tax dollars through the City rather than contracting for it privately or taking trash to the dump themselves; and the majority of citizens, who do not have children in public schools, denied community responsibility for local schools. We believe there has been such a denial when the local contribution to the schools is reduced from \$12,340,000 to \$6,205,000, and an override is rejected (see Page A-2).